

## THE IMPACT OF ELECTRONIC WORD OF MOUTH (E-WOM) ON SOCIAL MEDIA FOR THE PROMOTION OF NEW MOVIES

ARAVIND.T.S<sup>1</sup> & VINITH KUMAR NAIR<sup>2</sup>

<sup>1</sup>Assistant Professor, Marketing, Sree Narayana Guru College of Legal Studies, Kollam, India

<sup>2</sup>Professor in Marketing, TKM Institute of Management, Karuvelil, Ezhukone, Kollam, India

### ABSTRACT

*In today's Flat, individuals spend the incredible part of one's time on various cyber activities such as either connecting with one another or searching for various pieces of information. The social media, such as social networking sites (e.g. Facebook), micro blogging sites (e.g. Twitter), photo sharing sites (e.g. Instagram), and video sharing sites (e.g. YouTube) played not only an extensive influence in every individuals life but also has become an inevitable part of the day to day activity. The prevalent consumption of social media has made an influence on the way marketers design their marketing activities, particularly in the pre and post release promotion of new movies. In this paper the authors explained the influence of Electronic Word of Mouth (E-WOM) on favorability and visibility of Promotional content of a newly released Movie. The purpose of the Research was to give a better understanding of how E-WOM can create a high favorability and visibility to the Promotional content of a newly released Movie. The data, obtained from the sample population of ninety college students, from various professional institutions in Kerala, was analyzed through Simple Regression tool and was found that E-WOM can generate visibility as well as favorability to the promotional content of a newly released Movie.*

**KEYWORDS:** *Electronic Word of Mouth (E-WOM), Favorability, Visibility, Social Sharing Network*

**Received:** Mar 07, 2016; **Accepted:** Mar 17, 2016; **Published:** Mar 28, 2016; **Paper Id.:** IJSMMRDAPR20162

### INTRODUCTION

Social Media can be consider as online platform, where people can do participative sharing (thoughts ideas, experience, information, critics) networking, discussing and bookmarking online. Most of the Social networking sites would encourage discussion, feedback, voting, comments, and sharing of information from all interested parties. All Social Media and Social Networking Platforms are built in such a way that the users can interact freely; it is two way communication channel compared with other traditional medias (Ron Jones 2009) .

Interpersonal communication has received great attention in social psychology. This line of studies has consistently demonstrated how personal influence affects individuals to make choices. The power of interpersonal influence through word-of-mouth communication has been well recognized in the consumer literature (Arndt, 1967; King and Summers 1970; Herr, Kardes, and Kim, 1991). The consumer influence through word-of-mouth communication is further accelerated with the advent of the Internet.

E-WOM communication refers to any positive or negative statement made by potential, actual, and former customers about a product or a company via the Internet (Hennig- Thurau et al., 2004). E-WOM communication can take place in various settings. Consumers can post their opinions, comments and reviews of products on weblogs (e.g. xanga.com), discussion forums (e.g. zapak.com), review websites (e.g. Epinions.com), e-bulletin

board systems, newsgroup, social networking sites (e.g. facebook.com). While E-WOM communication has some characteristics in common with traditional WOM communication, it is different from traditional WOM in several dimensions. These dimensions attribute to the uniqueness of E-WOM communication. First, unlike traditional WOM, E-WOM communications possess unprecedented scalability and speed of diffusion. As with WOM, sharing of information is between small groups of individuals in synchronous mode (Avery, Resnick, and Zeckhauser, 1999; Li & Hitt 2008, Dellarocas 2003; Steffes and Burgee, 2009). However, E-WOM communications involve multi-way exchanges of information in asynchronous mode (Hung and Li, 2007).

The use of various electronic technologies such as online discussion forum, electronic bulletin board, newsgroups, blogs, review sites and social networking sites facilitate the information exchange among communicators (Goldsmith, 2006). Second, opposite to traditional WOM, E-WOM communications are more persistence and accessible. Most of the text-based information presented on the Internet is archived and thus would be made available for an indefinite period of time (Herr, Kardes and Kim, 1991; Hennig-Thurau et. al., 2004; Sen, 2008; Park and Lee, 2009; Hung and Li; 2007; Lee, Park, and Hen, 2008). Third, E-WOM communications are more measurable than traditional WOM (Lee, Park and Hen, 2008; Park and Kim, 2008). The presentation format, quantity and persistence of E-WOM communications have made them more observable. Word-of-mouth information available online is far more voluminous in quantity compared to information obtained from traditional contacts in the offline world (Chatterjee, 2001). Lastly, traditional WOM emanates from a sender who is known to the receiver of the information, thereby the credibility of the communicator and the receiver knows the message. On the contrary, the electronic nature of E-WOM in most applications eliminates the receiver's ability to judge the credibility of the sender and his or her message.

Electronic Word of mouth, especially over Social Sharing Network of Newly release movie Promotional content (reviews, trailers, teasers, posters), has become a key information source that provides references to help moviegoers formulate their decisions (e.g., Duan, Gu, and Whinston 2008). Potential moviegoers appreciate E-WOM as trustworthy and prevalent (Holbrook 1999). In such case E-WOM helps in generating/show high favorability towards the Promotional content of Movie and Visibility factors also influenced by the E-WOM, it determines the success of entertainment goods, because such experiential goods are often consumed collectively and figure in daily conversations (Chevalier and Mayzlin, 2006; Eliashberg, Elberse, and Leenders 2006; Mayzlin 2006).

The term Favorability means to the degree of goodness in the eyes of media, namely, "is it good or bad?" (Rindova et al. 2007). Favorability reflects the social media's attitude towards the subject. When the like and comments are high the Consumers are more likely to make, as favorable comments provide an indicator of good product quality.

The level of consciousness and exposure of the public towards the product is called Visibility, i.e. how many people know about the product (Rindova et al. 2007). Visibility is the frequency that individuals confront information about or receive messages about the product. Knowledge of a product is one of the preconditions that must exist before people will buy the product

## **METHODOLOGY**

### **Objective of the Study**

The main objective of this research is to find out the effect of E-WOM on Social Sharing Network for the promotion of New movie promotion.

### Specific Objectives

- To find out the impact of E-WOM on favorability towards the Promotional content of movie on social media
- To find out the impact of E-WOM on Visibility towards the Promotional content of movie on social media

### VARIABLES

#### Independent Variable

- Electronic word of mouth created by the users on Social Sharing Networking Platform

#### Dependent Variables

- Favorability and Visibility of Promotional content or post's of newly released Movie on Social Sharing Networking Platform

### Hypothesis Development

H1: There is significant impact of E-WOM on favorability towards the content of movie on social media

H2: There is a significant impact of E-WOM on Visibility towards the promotional content of movie on social media

### Study Design

This research is a correlation study since the objective is to study the impact of E-WOM on favorability and visibility of Promotional content of New Movie on social media. The sample consists of 90 students from various professional institutions of Kerala. The researchers used a survey method using a seven point likert scale questionnaire. The questionnaire is designed to find out the impact of E-WOM on various factors and consist of three parts. The first part consists of questions to find out the factors of E-WOM, second part includes questions to find out the Favorability towards new movie promotional content on Social Sharing network and the third part includes the questions related to Visibility.

### RESULTS AND DISCUSSIONS

The results of the multiple regression analysis of the independent variables and the E-WOM are shown below. The researcher has used Simple regression to analyze the data. This tool examines the linear relationship between two continuous variables. When the two variables are related, it is possible to predict a response value from a predictor value with better than chance accuracy.

#### Results of Specific Objective 1

To find out the impact of E-WOM on favorability towards the Promotional content of movie on social media  
Impact of E-WOM on favorability

**Table 1: Descriptive Statistics (E-WOM on Favorability)**

	Mean	Std. Deviation	N
Favorability	12.8	3.56386	90
E-WOM	69.1889	16.97711	90

In descriptive statistics we are calculating the mean and standard deviation of dependent variable “Favorability” and independent variable “E-WOM.”. The results show that Table 1 the mean value for Favorability is 12.80 and Standard Deviation is 3.56. The mean value for E-WOM is 69.18 and standard deviation is 16.97 for a sample size of 90.

**Table 2: Correlation E-WOM and Favourability**

		Favorability	E-WOM
Pearson Correlation	Favorability	1	0.665
	E-WOM	0.665	1
Sig. (1-tailed)	Favorability		0
	E-WOM	0	
N	Favorability	90	90
	E-WOM	90	90

As shown in Table 2 the correlation 0.665, is closer to +1 and is significant at .000 level ( $P < .05$ ), Therefore it indicates that higher the E-WOM, greater the Favorability towards the promotional content of New Movie on Social Sharing Network, i.e. it has a high Positive correlation

**Table 3: Model Summary E -WOM on Favorability**

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.665	0.442	0.436	2.67705
a. Predictors: (Constant), E-WOM_sum			
b. Dependent Variable: Favorability_sum			

#### Anova

Model		Sum of Squares	DF	Mean Square	F	Sig.
1	Regression	2315.103	1	2315.103	132.180	.000
	Residual	1541.297	88	17.515		
	<b>Total</b>	<b>3856.400</b>	<b>89</b>			

**Table 4: Anova**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	499.742	1	499.742	69.732	.000
	Residual	630.658	88	7.167		
	<b>Total</b>	<b>1130.400</b>	<b>89</b>			

Model Summary Table 3 gives overall findings as a result of linear regression method. It was found that the R value, 0.665 is the Simple Linear Regression Coefficient of the independent variable with the dependent variable after all the inter correlations are taken into consideration. R Square 0.442 is the explained variance in E-WOM by the variable Favorability. As shown in the Anova table below Table 4, F value 132.180 is significant at .000 levels. The results indicate that 44.2% of the variance of Favorability has been significantly explained by the Independent Variable E-WOM.

**Table 5: Coefficients (E-WOM on Favorability)**

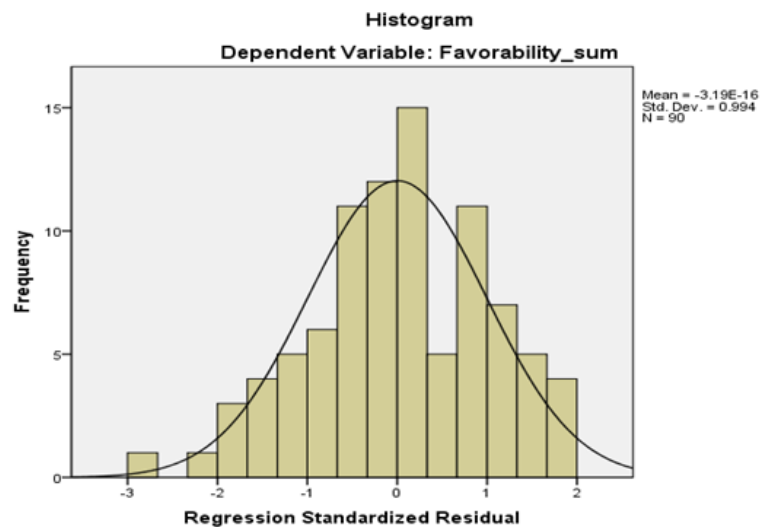
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	3.143	1.19		2.64	0.01	0.777	5.508
	E-WOM_sum	0.14	0.017	0.665	8.351	0	0.106	0.173

**a .Dependant Variable: Favorability**

By looking at Beta under standardized coefficients (.665), with T Value (8.351) which is significant at .000 level ( $P < .05$ ), Table 5 it can be concluded that E-WOM influences the favorability towards the Promotional content of movie on Social Sharing Network.

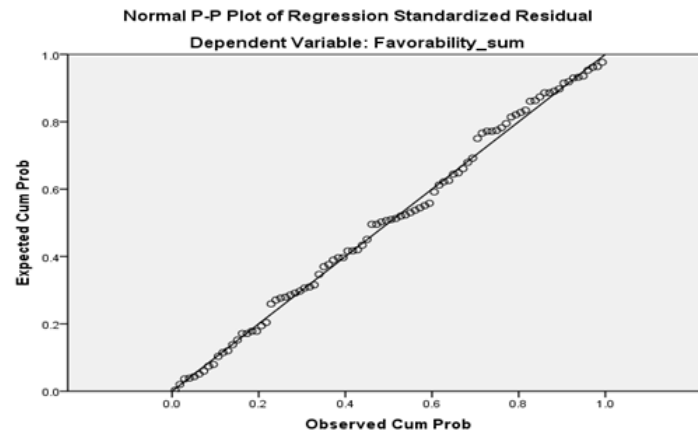
**H1: There is significant impact of E-WOM on Favorability towards the Promotional content of movie on Social Sharing Network media**

Coefficients show P is .000 which less than 0.05. The analysis indicates that there is a significant impact of E-WOM on Favorability towards the Promotional content of movie on Social Sharing Network media. Hence the alternate hypothesis is accepted at the 5% significance level or at the 95% confidence



**Figure 1: Histogram EWOM and Favorability**

The researcher has constructed the histogram in order to graphically represent the distribution of numerical data. As shown in Figure1, the X axis shows the independent variable E-WOM and the Y axis shows the Favorability which is the dependent variable and the data is distributed symmetrically.



**Figure 2: Normal P-P Plot E-WOM and Favorability**

The normal probability plot is a graphical tool for comparing a data set with the normal distribution. As shown in Figure 2, since the plotted points follow the straight line, it can be concluded that this distribution is normal.

**To find out the impact of E-WOM on favorability towards the Promotional content of movie on social media Impact of E-WOM on favorability**

**Table 6: Descriptive Statistics EWOM and Visibility**

	Mean	Std. Deviation	N
Visibility	26.8667	6.58258	90
E-WOM	69.1889	16.97711	90

As shown in Table 6 the mean value for Visibility is 26.86 and Standard Deviation is 6.568. The mean value for E-WOM is 69.18 and standard deviation is 16.97.

**Table 7: Correlation EWOM and Visibility**

		Visibility	E-WOM
Pearson Correlation	Visibility	1	0.775
	E-WOM	0.775	1
Sig. (1-tailed)	Visibility	.	0
	E-WOM	0	.
N	Visibility	90	90
	E-WOM	90	90

The results of correlation is shown in Table 6. It was found that  $r$  is 0.775 which is significant at .000 level ( $P < .05$ ), i.e. it has a high Positive correlation. Thus we can conclude that higher the EWOM greater the visibility towards the Promotional content of movie on social media Impact of E-WOM on favorability

**Table 8: Model Summary EWOM and Visibility**

R	R Square	Adjusted R Square	Std. Error of the Estimate
.775 <sup>a</sup>	0.6	0.596	4.18506

The results Table 8 of the regression coefficient shows that  $R=0.775$  and  $R\text{ Square}=0.600$  which is the explained variance in E-WOM by the variable Visibility. The F value 132.180 is significant at .000 levels Table 9. The results indicate that 60% of the variance of Favorability has been significantly explained by the Independent Variable E-WOM.

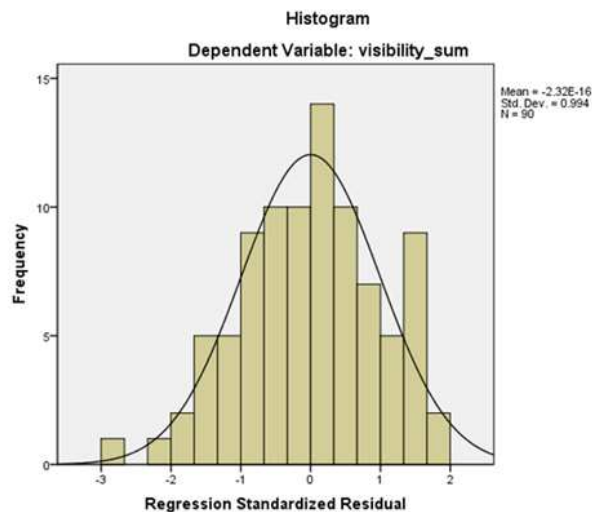
**Table 9: Coefficients (E-WOM on Visibility)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	6.081	1.861		3.268	0.002	2.383	9.779
	E-WOM_sum	0.3	0.026	0.775	11.497	0	0.248	0.352
Dependant variable: Visibility								

The result shows Table 9 that the Beta value of standardized coefficients is .775, with a T Value of 11.497 which is significant at .000 level ( $P < .05$ ). Hence it is concluded that E-WOM influences Visibility towards the Promotional content of movie on Social Sharing Network.

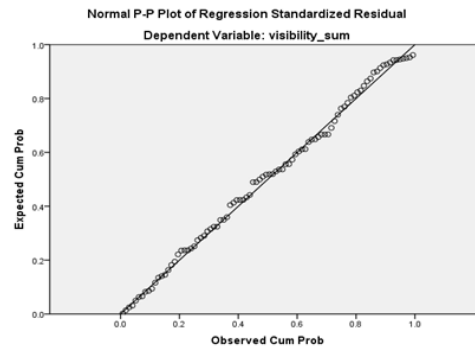
**H2: There is significant impact of E-WOM on Visibility towards the Promotional content of movie on Social Sharing Network media**

Coefficients show  $P < 0.05$ . The analysis indicates that there is significant impact of E-WOM on Visibility towards the Promotional content of movie on Social Sharing Network media. Hence the alternate hypothesis is accepted at the 5% significance level or at the 95% confidence



**Figure 3: Histogram EWOM and Visibility**

As shown in the histogram Figure 3, the X axis shows the independent variable E-WOM and the Y axis shows the dependent variable visibility and from the graphical representation it can be concluded that data is distributed symmetrically



**Figure 4: Normal PP Plot EWOM and Visibility**

The Normal probability Plot shows Figure 4 that the points are plotted in a straight line and hence it can be concluded that the data set is normally distributed

## CONCLUSIONS

From the light of the study, it is evident that Social Networking is an emerging social sensation that has tremendous effects on individuals by empirically testing the relationships of E-WOM on Favorability and Visibility. Here the moviegoers who are actively participating in Social Sharing network have a high chance of Visibility of Promotional content of new Movie like reviews, songs, trailers, teasers and online movie poster through different platform. So we can say that Social Sharing Network Platforms are interactive and exchange medium and E-WOM helps the users to discharge their opinions, feeling and sharing of other user content related with newly released Movie. This the study depict that the EWOM has a direct impact on movie promotion and drives the moviegoers decision making. The results also found out that visibility with a beta coefficient of 0.775 is slightly more significant compared to favorability with a beta coefficient of 0.665. The researcher had taken only two variables namely favorability and visibility. Hence there is much scope for future research by including various other variables.

## REFERENCES

1. Ron Jones, "Social Media Marketing 101, Part 1," Search Engine Watch, 16 Feb 2009.
2. Hennig-Thurau, T., Gwinner, K. P., Walsh, G. & Gremler, D. D. (2004). *Electronic Word-of-Mouth Via Consumer-Opinion Platforms: What Motivates Consumers to Articulate Themselves on the Internet?* *Journal of Interactive Marketing*.
3. Arndt, J. (1967) *Role of product-related conversations in the diffusion of a new product*. *Journal of Marketing Research*
4. Kirmani, A. and Zhu, R. (2007). 'Vigilant against manipulation: The effect of regulatory focus on the use of persuasion knowledge'. *Journal of Marketing Research*
5. Rindova, V.P., Petkova, A.P. and Kotha, S. (2007). 'Standing out: how new firms in emerging markets build reputation'. *Strategic Organization*
6. King, Charles W., and John O. Summers (1970) "Overlap of Opinion Leadership Across Consumer product Categories." *Journal of Marketing Research* 7 (February)
7. Paul M. Herr 'et al' 1991 *Effects of Word-of-Mouth and Product Attribute Information on Persuasion: An Accessibility-Diagnosticity Perspective*



8. Hennig- Thureau et al., 2004 *Electronic Word Of Mouth via consumer Opinion platforms : What Motivates consumers to articulate themselves on the Internet ?*”*Journal of Interactive Marketing*” Volume 8 Issue 1 2004
9. Avery, Resnick, and Zeckhauser, 1999 *The Market For Evaluation* “*American Economic Review* “ Volume 89, Issue 3 (June 1999)
10. Hung, K. H. & Li, S. Y. (2007). *The Influence of eWOM on Virtual Consumer Communities: Social Capital, Consumer Learning, and Behavioral Outcomes. Journal of Advertising Research*
11. Goldsmith, R. E. (Ed.) (2006) *Encyclopedia of E-Commerce, E-Government and Mobile Commerce. Idea Group Publishing.*
12. Herr, P. M., Kardes, F. R. & Kim, J. (1991). *The effects of word-of-mouth and product- attribute information on persuasion: An accessibility-diagnostics perspective. Journal of Consumer Research*
13. Sen, S. (2008). *Determinants of Consumer Trust of Virtual Word-of-Mouth: An Observation Study from a Retail Website. Journal of American Academy of Business, Cambridge*
14. Park, C. & Lee, T. (2009). *Information direction, website reputation and eWOM effect: A moderating role of product type. Journal of Business Research*
15. Hung, K. H. & Li, S. Y. (2007). *The Influence of eWOM on Virtual Consumer Communities: Social Capital, Consumer Learning, and Behavioral Outcomes. Journal of Advertising Research*
16. Park, D.H. & Kim, S. (2008). *The effects of consumer knowledge on message processing of electronic word-of-mouth via online consumer reviews. Electronic Commerce Research and Applications*
17. Chatterjee, P. (2001). *Online Reviews: Do Consumers Use Them? Advances in Consumer Research*
18. Duan, W., Gu, B. & Whinston, A. (2008). *Do online reviews matter? - An empirical investigation of panel data. Decision Support Systems*
19. Chevalier, J. A. & Mayzlin, D. (2006). *The Effect of Word of Mouth on Sales: Online Book Reviews. Journal of Marketing Research*

